

CAMPAIGN SPENDING COMMISSION

STATE OF HAWAII

In Re the Matter of)	CA 01-08
)	
ALAN HO, EDWARD YU, BEN FUNG,)	
ABE INVESTMENT GROUP, INC.,)	
SEAFOOD VILLAGE, ANTONIO'S)	
STEAK, RIBS & PASTA, HAS)	
MANAGEMENT, INC. LOBSTER &)	
CRAB HOUSE, ROYAL STEAK &)	
SEAFOOD HOUSE and ABCER)	
INVESTMENT & MANAGEMENT, INC.)	
)	
Respondents.)	
)	

CONCILIATION AGREEMENT

On or around August 2001, Robert Y. Watada, Executive Director for the Campaign Spending Commission ("Commission"), initiated an investigation of Respondents Alan Ho and corporations connected to Alan Ho including, ABE Investment Group, Inc. ("ABE"), HAS Management, Inc. ("HAS"), ABCER Investment & Management, Inc. ("ABCER"), Seafood Village ("Seafood"), Antonio's Steak, Ribs & Pasta ("Antonio"), Lobster & Crab House ("Lobster"), and Royal Steak & Seafood House ("Royal") (hereinafter collectively referred to as "Ho" unless otherwise noted), pursuant to the express authority of section 11-193, Hawaii Revised Statutes ("HRS"), an investigation was conducted for a determination of whether the campaign spending law had been violated and a complaint would be submitted to the Commission.

Noncandidate committee filings for Antonio, Lobster and Royal list Edward Yu and Ben Fung as Treasurer and Officer, respectively.

ABE list its officers as Alan Ho, President, Edward Yu, Treasurer, Ben Fung, Secretary, and Charles K.C. Chang as a Director. Seafood is a dba of ABE.

HAS lists Alan Ho as its sole officer.

ABCER lists officers as Alan Ho, President, Edward Yu, Treasurer, and Ben Fung, Secretary. Royal and Antonio are dba's of ABCER.

NOW, THEREFORE, Ho and the Commission, having entered into conciliation and pursuant to section 11-216(g), HRS, do hereby agree as follows:

- I. That the Commission has jurisdiction over Respondents and the subject matter of this administrative action.
- II. That this Conciliation Agreement ("Agreement") and upon complete performance of the conditions stated herein has the effect of remedial or corrective action taken by Respondents pursuant to section 11-216(g), HRS.
- III. That Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.
- IV. That Respondents waives the right to be heard at a public hearing conducted under chapter 91, HRS, pursuant to section 11-228(b), HRS.
- V. That Respondents enter into this Agreement with the Commission on their own volition and with full knowledge and understanding.
- VI. That parties agree to the pertinent facts as follows:
 1. On or around August 2001, Robert Y. Watada, in his capacity as Executive Director of the Campaign Spending Commission, and upon information received through the disclosure statements of the

Jeremy Harris Campaign Committee and the Harris 2000

Campaign Committee, initiated an investigation involving excess contributions in violation of section 11-204(a)(3), HRS.

2. Section 11-204(a)(3), HRS, reads in part as follows: No person, other than a candidate for the candidate's own campaign, or any other entity shall make contributions to:...A candidate seeking nomination or election to a four-year nonstatewide office or to the candidate's committee in an aggregate amount greater than \$4,000 during an election period.
3. The election period for Jeremy Harris and the Jeremy Harris Campaign Committee for the 1996 election for Mayor of Honolulu include the period from January 1, 1995 to November 5, 1996.
4. For the Preliminary Primary report filed on August 27, 1996, the Jeremy Harris campaign committee reports a contribution of \$2,000 from ABE on July 1, 1996.
5. For the Preliminary Primary report filed on August 27, 1996, the Jeremy Harris campaign committee reports a contribution of \$2,000 from Lobster on July 1, 1996.
6. For the Preliminary Primary report filed on August 27, 1996, the Jeremy Harris campaign committee reports a contribution of \$2,000 from Royal on July 3, 1996.
7. Mr. Ho is listed as the President of ABE Investment Group, Inc. Lobster & Crab House and Royal Steak and Seafood House.

8. Section 11-204(h), HRS provides that "(A)n individual and any general partnership in which the individual is a partner, or an individual and any corporation in which the individual owns a controlling interest, shall be treated as one person".
9. That contributions aggregated to \$6,000 to the Jeremy Harris campaign committee for the 1996 election period, an excess contribution of \$2,000.
10. Ho failed to file an Organizational report pursuant to section 11-196.5, HRS and failed to file reports pursuant to sections 11-212 and 11-213, HRS for the 1996 election period.
11. The election period for Jeremy Harris and the Harris 2000 Campaign Committee for the 2000 election for Mayor of Honolulu include the period from November 6, 1996 to November 7, 2000.
12. For the Supplemental report of July 1999, the Harris 2000 campaign committee reports a contribution of \$2,000 from Lobster on June 1, 1999.
13. For the Supplemental report of January 2000, the Harris 2000 campaign committee reports a contribution of \$2,000 from Lobster on December 29, 1999.
14. For the Supplemental report of January 2000, the Harris 2000 campaign committee reports a contribution of \$2,000 from ABE on December 29, 1999.

15. For the Supplemental report of January 1999, the Harris 2000 campaign committee reports a contribution of \$2,000 from HAS Management, Inc., on December 29, 1999.
16. For the Supplemental report of January 2000, the Harris 2000 campaign committee reports a contribution of \$2,000 from Antonio's on December 29, 1999.
17. For the Supplemental report of January 2000, the Harris 2000 campaign committee reports a contribution of \$2,000 from Royal on December 29, 1999.
18. For the Supplemental report of January 2000, the Harris 2000 campaign committee reports a contribution of \$2,000 from Alan Ho on December 30, 1999.
19. For the Final Election period report of November 2000, the Harris 2000 campaign committee reports a contribution of \$1,500 from Alan Ho on September 27, 2000.
20. Alan Ho is President of ABE, Antonio, HAS, Lobster, and Royal.
21. That contributions aggregated to \$15,500 to the Harris 2000 campaign committee for the 2000 election period, excess contributions of \$11,500.
22. Ho acknowledges that excess campaign contributions were made in violation of section 11-204(a)(3), HRS for the 1996 and 2000 election periods for the office of mayor.

23. The excess contribution in violation of section 11-204(a)(3), HRS, was not knowing, intentional, or reckless pursuant to section 11-229, HRS.
24. Ho learned about the campaign contribution limits and fundraising by Harris from the newspaper.
25. Ho failed to file an Organizational report pursuant to section 11-196.5, HRS, for contributions made to the Harris 2000 campaign committee by ABE and HAS.
26. Ho failed to file preliminary, final and supplemental reports pursuant to sections 11-212 and 11-213, HRS, respectively for contributions made by ABE and HAS.
27. Ho further agrees that no other contributions or expenditures were made to Harris for the 1996 and 2000 election periods.

VII. Settlement Terms

As final settlement of the matter and issues in the Conciliation Agreement #01-08, Alan Ho, ABCER, ABE and HAS understands and agrees to the following:

- (A) Alan Ho, ABCER, ABE and HAS agrees to an assessment of **Five thousand five hundred dollars** (\$5,500) pursuant to section 11-228, HRS.
 - (1) For violation of section 11-204(a)(3), HRS, making excess campaign contribution to the Jeremy Harris campaign committee, 1996 election period;

- (2) For violation of section 11-204(a)(3), HRS, making excess campaign contributions to the Harris 2000 campaign committee, 2000 election period;
- (3) For violation of section 11-196.5, HRS, failure to file organizational reports; and
- (4) For violation of sections 11-212 and 11-213, HRS, not filing preliminary, final and supplemental reports of campaign contributions and expenditures for the 1996 and 2000 election periods.

(B) Ho agrees to file required reports for future contributions and further agrees to comply with campaign finance statutes on contribution and expenditures for noncandidate committees.

(C) Terms of payment of the assessment shall be by Order of the Commission.

VIII. The Commission upon its own motion or a written request of anyone filing a complaint under section 11-216, HRS, may review compliance with the Agreement. If the Commission believes that the Agreement has been violated, it may institute administrative proceedings or a civil action in the Circuit Court of the First Circuit pursuant to section 11-228(c), HRS.

IX. This Agreement shall become effective as of the date that all parties have signed and the Commission has approved the entire agreement.

- X. This Agreement constitutes the entire agreement between the Commission and Ho on the matters raised herein, and no other statement, promise, or agreement, either in writing or oral, not contained in this Agreement made by either party or by agents of either party shall be enforceable.
- XI. This Agreement, unless violated, shall be a complete bar to any further action by the Commission with respect to the violations at issue in this matter.

FOR THE COMMISSION:

Robert Y. Watada, Executive Director

By: _____

Date: _____

FOR THE RESPONDENTS:

Alan Ho, President

By: _____

Date: _____

(Name)

(Title)